

PROPOSALS

FOR

LEASING THE NEW CANAL,

WITH

ACCOMPANYING DOCUMENTS;

AND A

REPORT OF THE STATE ENGINEER.



NEW ORLEANS:
J. O. NIXON, STATE PRINTER
1867.

PROPOSALS FOR LEASING NEW CANAL.

STATE OF LOUISIANA, }
Parish of Orleans. }

Be it known, that this day before me, Theodore O. Stark, a Notary Public in and for said State and Parish, duly commissioned and qualified:

Personally came and appeared his Excellency, J. Madison Wells, Governor of the State of Louisiana, and herein acting in said capacity, who declared that whereas by an Act of the General Assembly of the State of Louisiana, entitled "An Act to authorize the lease of the New Canal," approved February the tenth, 1866, it was made the duty of the Governor, immediately after the passage of said Act, to cause to be advertised in one or more newspapers of the city of New Orleans, for the period of twenty days, for proposals for leasing the canal of the New Orleans Canal and Banking Company (which said canal was to become the property of the State of Louisiana on the fifth day of March, 1866), together with all the rights and privileges appertaining thereto, or claimed and enjoyed by the said Canal and Banking Company, according to the terms and conditions and specifications of said Act, and for the period of time designated therein. And whereas, in pursuance of said duty, he, in said capacity, caused to be inserted in the "New Orleans Crescent" and the "Southern Star" newspapers, published in the city of New Orleans, the following advertisement, to wit:

STATE OF LOUISIANA, EXECUTIVE DEPARTMENT, }
New Orleans, Feb'y 10th, 1866. }

In conformity with the following Act of the General Assembly, sealed proposals will be received at this office for the period of twenty days from the date hereof, for the lease of the New Canal on the terms and conditions set forth in the Act hereto annexed. Proposals to be addressed to the Governor of the State, and indorsed, "Proposals for leasing the New Canal."

(Signed)

J. MADISON WELLS,
Governor of the State of Louisiana.

Which said advertisement was followed in both of said papers by a copy of the Act hereinbefore referred to, and which said advertisement and Act was published in said papers for the period of twenty days, that is to say, from the 11th day of February, 1866, to the 2d day of March, 1866, both inclusive.

And whereas, on the 3d day of March, 1866, said proposals were opened by him, and the bid deemed by him most advantageous to the State, was the bid of Richard Taylor, of the city of New Orleans. Forthwith, that is to say, on the 5th day of March of the same year (the Senate not being in session on the 3d and 4th days of March), he, in said capacity, submitted to the Senate in Executive session, all the bids that had been made for

the lease of said canal, and informed said Senate by message, that he had approved the bid of said Richard Taylor, and said bid was thereupon approved by said Senate, as will more fully appear by reference to authenticated copies of said bid, and the approval thereto, hereunto annexed, marked A, and paraphed by me, Notary, for identity.

Now, therefore, the said Governor Wells, in his capacity aforesaid, does hereby grant, demise, lease and hire unto said Richard Taylor, here appearing and accepting for himself, his heirs, executors and assigns, and acknowledging delivery and possession in conformity hereto, of the said canal, shell-road, with toll-gates and houses for toll-keepers, one dredge boat with two mud flats, one canal barge, and one pile driver, together with all the rights, property, privileges and uses thereto pertaining, in the condition as detailed by the State Engineer in his report of January 18, 1866, as appears by the annexed receipt, dated 7th instant, marked B, and paraphed by me notary, for identity, for fifteen years, to commence on the fifth day of March, in the year of our Lord one thousand eight hundred and sixty-six, and to end on the fourth day of March, in the year of our Lord one thousand eight hundred and eighty-one,—the canal known as the New Canal, lately belonging to the Canal and Banking Company, constructed under the charter of said company, incorporated March 5th, 1831, situated, lying and being in the parishes of Orleans and Jefferson, together with all the rights, property, privileges and uses in any way belonging or appertaining thereto, or claimed by said company under any of the laws of this State, except the sixty feet of ground immediately adjoining the Cypress Grove and Greenwood Cemeteries, towards the canal. And the said Richard Taylor shall have the right of charging and collecting toll for passage through said canal, and of establishing toll-gates, charging and collecting toll for transit through the same, on the shell-road, and adjoining said canal, to the same extent as the Canal and Banking Company were by law authorized to do; and shall have full power to make such rules and regulations, for the management of said canal, and preservation of the same, together with the shell-road, and all other property in his possession belonging to the State, as in the judgment of said lessee, shall be necessary, proper or convenient, for the management or protection of said canal, shell-road, embankments, and all other property belonging to the State, from injury or deterioration; and the said lessee shall have the right to charge for towage, through said canal, and to collect the same to the same extent as the New Orleans Canal and Banking Company, its lessee or lessees formerly did.

This lease is made and accepted for and in consideration of the yearly rent, payable as hereinafter expressed, on the following terms and conditions:

1st. Said Taylor, lessee, shall make the repairs described by specifications and plans in the report of the State Engineer to the Governor, dated January 18th, 1866, an authenticated copy of which said specifications and plans are annexed hereto and made a part of this contract, marked C, and paraphed by me, notary, for identity.

2d. Said lessee shall keep the canal, shell road and all other property belonging to the State and appurtenant to said canal, in good working order and condition, as is provided by law.

3d. The cost of the repairs to the extent of sixty-eight thousand dollars, shall be allowed to the lessee by way of deduction, in three equal amounts, from the amount of rent for the three first years—that is to say, one-third of said sixty-eight thousand dollars, to wit: twenty-two thousand

six hundred and sixty-six and sixty-six and two-thirds one-hundredths dollars, may be reserved by the said lessee from the first year's rent; the same amount from the second year's rent, and a like amount from the third year's rent.

4th. The repairs and improvements herein provided to be made by said lessee, shall be subject to the approval of the State Engineer.

5th. Said lessee shall permit the culverts now receiving the waters of the Second Drainage District to remain open.

6th. Said lessee shall keep the canal in good order, and shall comply with all the obligations to the State, and to the public, required by the Canal and Banking Company by its charter, for the working and preservation of the canal, under the penalty of a forfeiture of this lease, for the violation of the same.

7th. The said lessee engages to pay to the Governor of the State—

On the 4th day of March, 1867, the sum of thirty-six thousand dollars (\$36,000), less the sum of twenty-two thousand six hundred and sixty-six and sixty-six and two-thirds one-hundredths dollars (\$22,666 $\frac{2}{3}$), which the said lessee may reserve for repairs as herein provided.

On the 4th day of March, 1868, the sum of thirty-seven thousand dollars (\$37,000), less the sum of twenty-two thousand six hundred and sixty-six and sixty-six and two-thirds one-hundredths dollars (\$22,666 $\frac{2}{3}$), which the said lessee may reserve for repairs as herein provided.

On the 4th day of March, 1869, the sum of thirty-eight thousand dollars (\$38,000), less the sum of twenty-two thousand six hundred and sixty-six and sixty-six and two-thirds one-hundredths dollars (\$22,666 $\frac{2}{3}$), which the said lessee may reserve for repairs as herein provided.

On the 4th of March, 1870, the sum of thirty-nine thousand dollars (\$39,000).

On the 4th of March, 1871, the sum of forty thousand dollars (\$40,000).

On the 4th of March, 1872, the sum of forty-two thousand dollars (\$42,000).

On the 4th of March, 1873, the sum of forty-four thousand dollars (\$44,000).

On the 4th of March, 1874, the sum of forty-six thousand dollars (\$46,000).

On the 4th of March, 1875, the sum of forty-eight thousand dollars (\$48,000).

On the 4th of March, 1876, the sum of fifty thousand dollars (\$50,000).

On the 4th of March, 1877, the sum of fifty-five thousand dollars (\$55,000).

On the 4th of March, 1878, the sum of sixty thousand dollars (\$60,000).

On the 4th of March, 1879, the sum of sixty-five thousand dollars (\$65,000).

On the 4th of March, 1880, the sum of seventy thousand dollars (\$70,000).

On the 4th of March, 1881, the sum of eighty-five thousand dollars (\$85,000).

For all of which sums, as they shall be respectively paid to the Governor of the State, for the time being, the said Governor shall give full acquittance and receipt.

And now to this Act intervened Messrs. B. W. Huntington and D. D. Withers, both of the city of New Orleans, State of Louisiana, and who, declaring themselves cognizant of the obligations herein assumed by the said Richard Taylor, lessee, make themselves parties hereto, and hereby

bind themselves as sureties of said lessee, in the amount of thirty-six thousand dollars, in the manner and to the extent provided in said Act of the Legislature.

Thus done and passed in my office, in the city of New Orleans, on this sixth day of the month of March, in the year of our Lord one thousand eight hundred and sixty-six, in presence of Felix Grima and Thomas A. Henderson, competent witnesses, who hereto sign with said parties and me, notary.

(Original signed)

R. TAYLOR,
D. D. WITHERS,
B. W. HUNTINGTON,
J. MADISON WELLS,
F. GRIMA,
THOS. A. HENDERSON,
T. O. STARK, *Notary Public.*

A true copy.

T. O. STARK, *Notary Public.*

New Orleans, February 6th, 1867.

NEW ORLEANS, March 1st, 1866.

J. M. Wells, Governor of Louisiana:

SIR—I propose to lease the New Canal in compliance with the terms and conditions of an Act entitled “an Act to authorize the lease of the New Canal,” approved February 10th, 1866, for fifteen years (15) for the sum of seven hundred and fifty-five thousand (755,000) dollars, to be paid as follows :

First year—Thirty-six thousand (36,000) dollars.

Second year—Thirty-seven thousand (37,000) dollars.

Third year—Thirty-eight thousand (38,000) dollars.

Fourth year—Thirty-nine thousand (39,000) dollars.

Fifth year—Forty thousand (40,000) dollars.

Sixth year—Forty-two thousand (42,000) dollars.

Seventh year—Forty-four thousand (44,000) dollars.

Eighth year—Forty-six thousand (46,000) dollars.

Ninth year—Forty-eight thousand (48,000) dollars.

Tenth year—Fifty thousand (50,000) dollars.

Eleventh year—Fifty-five thousand (55,000) dollars.

Twelfth year—Sixty thousand (60,000) dollars.

Thirteenth year—Sixty-five thousand (65,000) dollars.

Fourteenth year—Seventy thousand (70,000) dollars.

Fifteenth year—Eighty-five thousand (85,000) dollars.

I offer for security Messrs. D. D. Withers and B. W. Huntington, and will furnish additional if required.

Respectfully your obedient servant,

(Signed)

R. TAYLOR.

STATE OF LOUISIANA, EXECUTIVE DEPARTMENT, }
New Orleans, March 3d, 1866. }

By virtue of authority vested in me, in an act of the General Assembly entitled "An act to authorize the lease of the New Canal," I do hereby accept this bid of R. Taylor to lease the said canal, for the sum of seven hundred and fifty-five thousand dollars, payable as proposed. Securities,
 D. D. Withers, B. W. Huntiongon.

(Signed)

J. MADISON WELLS,
Governor of Louisiana.

By the Governor.

(Signed) J. H. HARDY, Secretary of State.

SENATE CHAMBER, *New Orleans, March 5th, 1866.*

In pursuance to the 3d section of an act of the State Legislature entitled "An act to authorize the lease of the New Canal," approved December 10th, 1866, the above and foregoing is accepted by the Senate in Executive Session.

(Signed)

ALBERT VOORHIES,
Lieut. Gov. and President of the Senate.

(Signed) OSCAR ARROYO,
 Assistant Secretary of the Senate.

OFFICE OF SECRETARY OF STATE, }
New Orleans, March 7th, 1866. }

I hereby certify the foregoing to be a true copy of the original on file in this office.

Given under my hand and seal of State, this seventh day of March, A. D. 1866, and of the Independence of the United States the ninetieth.

J. H. HARDY, *Secretary of State.*

NEW ORLEANS, March 7th, 1866.

By virtue of the authority granted to me by the Governor of Louisiana of this date, a copy of which is appended, I have this day received from Mr. Jules A. Blanc, the duly appointed Agent of the New Orleans Canal and Banking Company, the following named property, together with all the rights, property, privileges and uses in any way belonging and appertaining thereto, or claimed by said Company under act of incorporation, and which by virtue of said act reverted to the State on the 5th day of March, 1866. Namely—

The New Canal.

The Shell Road, with two toll gates, and houses for toll receivers.

One dredge boat, with two mud flats.

One canal barge and one pile driver.

For the condition of the above property, I refer to the report of the State Engineer, dated January 18th, 1866.

R. TAYLOR, *Agent.*

OFFICE STATE ENGINEER, }
New Orleans, January 18th, 1866. }

To His Excellency, J. Madison Wells, Governor of Louisiana :

SIR—I beg leave to submit the following report as to condition of the New Canal, with the repairs and alterations needed to place the same in proper condition:

I have made inquiry, with the past and present revenue returned by the Canal, Shell Road, etc., to the Canal Bank, in order to assist you in the future disposition of the same, and respectfully submit the following as the result:

From the time the Canal was completed until 1848, it was managed for account of the Canal and Banking Company, and returned but very light receipts.

On the 8th July, 1848, the Canal Company leased to Major Ranney for the remaining period of the Charter until March 5th, 1866, the Basin, Shell Road Canal, toll-houses, Superintendents' houses, negro quarters, stables and depots, with thirty slaves, forty mules, one dredge-boat, mud-boats, etc., all in good condition.

Major Ranney was to pay the Company \$33,000 for the first year, \$34,000 for the second year, and so on, increasing \$1000 every year until the expiration of the lease.

In 1862, when the United States forces entered New Orleans, Major Ranney left the city, and the Bank had to resume the charge of the Canal. On the 1st February, 1863, Mr. Blanc took charge of the Canal for the Bank, and informed that during the war the expenses exceeded the receipts of the Canal. The Bank expended some four thousand dollars in repairs at or about that time.

On the first July, 1865, Mr. Blanc leased from the Bank the Canal, with all its appurtenances, houses, etc., with ten mules and harness, for which he pays the sum of one thousand dollars per month.

The entrance now existing to the Canal is an imperfect and difficult one, being too narrow and of such form that vessels entering have a great deal of trouble in effecting the same; the accompanying plan to this report will indicate the alteration proposed.

Again, the embankments forming the side of the entrance, have from the effect of the sea and time, become decayed and out of order; new piling and resetment as per plan will be necessary, and also the filling up of the embankment with additional earth work.

The bar, formed by annual storms, will require occasional dredging, but I hope by the substitution of open piling at the end, to obviate to a great extent the frequency of dredging.

The amount of work requisite will be shown in the plans, and such portions of old work that cannot be repaired, will necessarily have to be constructed anew; interior resetting will be required some considerable distance down the entrance and adjoining the bridge near the shore.

To allow of vessels passing each other the more readily, and the gaining of time thereby, I would suggest the construction of four additional "turn-outs" along the line of the Canal at designated intervals. The *turn-outs* to be 250 feet long, 25 feet wide, and of the same depth as the Canal.

Owing to the height of the ridge and the description of soil, with its tendency to cave, it will be necessary to construct said 500 feet of piling

and resetment, to prevent the destruction of the Shell Road; the plan will indicate the mode proposed for the same.

Much additional wharf accommodation is required at the Basin or city terminus of the Canal; and it is proposed that the present line of wharves be repaired, and new ones continued on each side of the Canal until they reach the present toll gate.

The increasing business of the Canal demands the construction of the wharves, and the piling necessary for the same, with additional resetments, will prevent the caving in of the banks, the filling up of the canal, and the encroachments upon the buildings or property thereof.

The Canal will require but little dredging, for the soundings taken show a good depth of water.

The toll gates, etc., of the Canal need some repairs, likewise the bridges; the mud-boats are worthless; the dredge-boats will require considerable overhauling before it is in proper condition for work.

The Shell Road, owing to the occupation of a portion of it by the United States Government, requires considerable repairs. The railroad track, cross-ties, etc., have been removed, and an attempt made to grade the same, but it will require many thousand barrels of shells to place it in proper condition.

By reference to the Charter, it will be observed that a levee and draining canal are called for as parts of the condition of granting the same. The Draining Canal does not exist at present, although of much importance in carrying away the water from the portion of country lying on the upper side of the Canal, of comparative necessity in the past, its value is greatly increasing since the erection of a Draining Machine, and the more rapid and increased accumulation of deposit in the Canal.

The necessity of the Canal is fully shown by the filling up of the Bayou St. John, and the fact of its being a condition in the Charter, proves that the Legislature was aware of the rights of property holders lying above the Canal, and of the evil effects of using a Canal intended for navigation for other purposes. Lately the same has been demonstrated by the fact of the city being obliged to change the drainage of Julia street from the basin to a canal constructed for that purpose, which leads to one of the city draining canals.

The cost of placing the Canal, Shell Road, etc., in good order, and making the alterations proposed, would have amounted to the sum of thirty-five thousand dollars in ordinary times.

If executed at the present time, will be nearly twice that amount—say sixty-eight thousand dollars, the fluctuations of the price of labor, materials, etc., will increase or diminish the amount according to the period of execution.

Respectfully submitted,

WM. A. FRERET,
State Engineer.

[Copy]

OFFICE OF SECRETARY OF STATE, }
New Orleans, March 12th, 1866. }

I hereby certify the document herewith to be a true copy of the original on file in this office.

Given under my hand and the seal of the State as above, this twelfth day of March, 1866.

J. H. HARDY, *Secretary of State.*



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